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INDEX OF INDUSTRIAL PRODUCTION, MARCH 2024



The Industrial Production Index increased by 2.4 per cent in March 2024, spurred by the expansion in all sectors

The IPI remained positive albeit at a slower rate of 2.4 per cent in March 2024 as compared to 3.1 per cent in the preceding month. The increase was spearheaded by the expansion in the Manufacturing sector which grew by 1.3 per cent, up from 1.2 per cent in February 2024. In the meantime, the Mining and Electricity sectors registered 4.9 per cent (February 2024: 8.1%) and 7.8 per cent (February 2024: 10.9%) respectively. In comparison with the preceding month, the IPI turned around to 7.5 per cent, contrasting with the negative 6.3 per cent recorded in the previous month.

In March 2024, the export-oriented industries rebounded to 0.5 per cent from negative 0.2 per cent in February 2024. This upturn was primarily led by the Manufacture of computer, electronics & optical products; and the Manufacture of coke & refined petroleum products which registered increases of 2.0 per cent and 1.9 per cent respectively. Furthermore, the Manufacture of furniture experienced a notable surge of 12.6 per cent during the month. Additionally, the export-oriented industries' growth reflects the performance of the country's manufactured goods exports, which regained momentum in March 2024. In a month-on-month comparison, the export-oriented industries augmented by 11.0 per cent as against the negative 5.8 per cent in February 2024.

Meanwhile, the domestic-oriented industries grew modestly by 3.1 per cent as against 4.1 per cent in February 2024. The increase in domestic-oriented industries was largely attributed to the Manufacture of fabricated metal products, except machinery & equipment, which registered a vigorous performance of 11.1 per cent; Manufacture of other non-metallic mineral products by 7.6 per cent; and the Manufacture of food processing products by 4.2 per cent. In comparison with the preceding month, the domestic-oriented industries rebounded to 1.9 per cent from negative 7.2 per cent recorded in the previous month.

The growth of output in the Mining sector slowed down to 4.9 per cent in March 2024 (February 2024: 8.1%) as a consequence of a modest increase in Natural Gas production at 8.9 per cent (February 2024: 11.9%). Moreover, the Crude Oil & Condensate output declined by 0.7 per cent (February 2024: 2.5%). As compared to February 2024, the Mining index grew by 5.3 per cent

after experiencing a negative growth of 6.9 per cent in the preceding month.

The Electricity output expanded by 7.8 per cent in March 2024 after registering an increase of 10.9 per cent in the preceding month. In comparison to the previous month, the Electricity index surged by 10.4 per cent, as compared to the negative 4.5 per cent recorded in February 2024.

Looking at the performance of several countries, the IPI for China and South Korea rose modestly while Vietnam and Taiwan returned to positive territories in March 2024. Conversely, Singapore experienced a downturn, whereas the United States, Japan and Thailand continued to decline.

Concluding the IPI performance for the first quarter of 2024, the IPI advanced further by 3.3 per cent year-on-year as compared to 0.8 per cent recorded in the fourth quarter of 2023. The expansion was supported by the acceleration registered in the Mining sector by 5.9 per cent (Q4 2023: 3.7%) and the Electricity sector by 8.9 per cent (Q4 2023: 4.6%). Meanwhile, the Manufacturing sector turned upward to 2.1 per cent from the negative 0.2 per cent posted in the previous quarter. In a quarter-on-quarter comparison, the IPI dropped by 1.0 per cent influenced by the Manufacturing sector at negative 1.8 per cent.

The full publication of the Industrial Production Index, March 2024 can be downloaded through eStatistik portal.

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